



**STATE OF CONNECTICUT**  
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL  
GOVERNOR

CRISTINE A. VOGEL  
COMMISSIONER

September 6, 2005

Conrad Ehrlich, M.D.  
President  
Housatonic Valley Radiological Associates, P.C.  
67 Sand Pit Road  
Danbury, CT 06877

RE: Certificate of Need Determination; Report Number 05-30544  
Acquisition of MRI equipment related to the establishment of MRI services in Ridgefield

Dear Dr. Ehrlich:

On June 30, 2005, the Office of Health Care Access ("OHCA") received a letter from Housatonic Valley Radiological Associates, P.C. ("Applicant") which attached numerous Certificate of Need ("CON") Determination Forms 2020. Two of these requests, filed in separate Form 2020s, were related to the incurrence of capital costs directly related to the establishment of MRI services at 38 Grove Street in Ridgefield, Connecticut. One request was entitled "Relocation of Existing Mobile MRI Unit from New Milford Office to Ridgefield Office" with a total capital cost of \$165,000, which includes \$65,000 for the fair market value of the MRI equipment and \$100,000 for renovations directly related to the establishment of MRI services at that location. A second request was entitled "Acquisition of 1.5 Tesla MRI for Ridgefield Office" with a total capital cost of \$365,700, which includes \$345,000 for the purchase of a GE Signa Horizon mobile 1.5 Tesla MRI unit and \$20,700 for related sales tax. The Applicant states that the acquisition of the GE Signa Horizon unit "will replace an existing 1.0 Tesla mobile MRI, which will initially operate at the office.

OHCA determines that the relocation of the existing MRI in New Milford to Ridgefield and the acquisition of a 1.5 Tesla MRI unit to eventually replace the relocated unit are, for all intents and purposes, one project and cannot be viewed separately. The construction/renovation costs of \$100,000 which were included in the relocation CON determination request are necessary for the establishment of MRI services in Ridgefield and cannot be viewed separately from the eventual replacement of the relocated unit with a new MRI unit, which is being requested at the same time. As such, OHCA considers this as one single request to incur costs directly related to the establishment of MRI services in Ridgefield and the project has one capital cost of \$530,000.

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Therefore OHCA determines that a Certificate of Need is required for the relocation of the existing MRI unit from New Milford to Ridgefield and the acquisition of a 1.5 Tesla mobile MRI unit for Ridgefield, pursuant to Section 19a-639c of the Connecticut General Statutes, as amended by Public Act 05-93.

OHCA considers the submission of information received on June 30, 2005 as the Letter of Intent for this matter; therefore the Applicant may file a CON application with OHCA between August 29, 2005 and October 28, 2005. The CON application is being mailed to your attention separately.

If you have any questions regarding the above, please contact Tillman Foster, Associate Health Care Analyst at (860) 418-7020 or Karen Roberts, Compliance Officer at (860) 418-704

Sincerely,

*Signed by Commissioner Vogel on September 6, 2005*

Cristine A. Vogel  
Commissioner

Copy: Rose McLellan License and Applications Supervisor, DPH, DHSR